STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO:	6. SURFACE:
ML-22793	State

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

8. UNIT or CA AGREEMENT NAME: UNIT #891008900A

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE L.P.

9. WELL NAME and NUMBER: NBU 1021-30N

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 942'FSL, 1876'FWL 619938X 39.914054
AT PROPOSED PRODUCING ZONE: 4418951Y -109.596728

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 30 10S 21E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 20.1 MILES SOUTH OF OURAY, UTAH

12. COUNTY: UINTAH

13. STATE: UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
942'	643.84	40.00

18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	19. PROPOSED DEPTH:	20. BOND DESCRIPTION:
REFER TO TOPO C	9,450	RLB0005237

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:
5348'GL		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,000	265 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2	I-80	11.6#	9,450	1990 SX 50/50 POZ	1.31 YIELD	14.3 PPG

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☑ COMPLETE DRILLING PLAN
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE [signature] DATE 1/24/2007

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

RECEIVED
FEB 02 2007
DIV. OF OIL, GAS & MINING

API NUMBER ASSIGNED: 43-047-39025

APPROVAL:

Date: 02-28-07

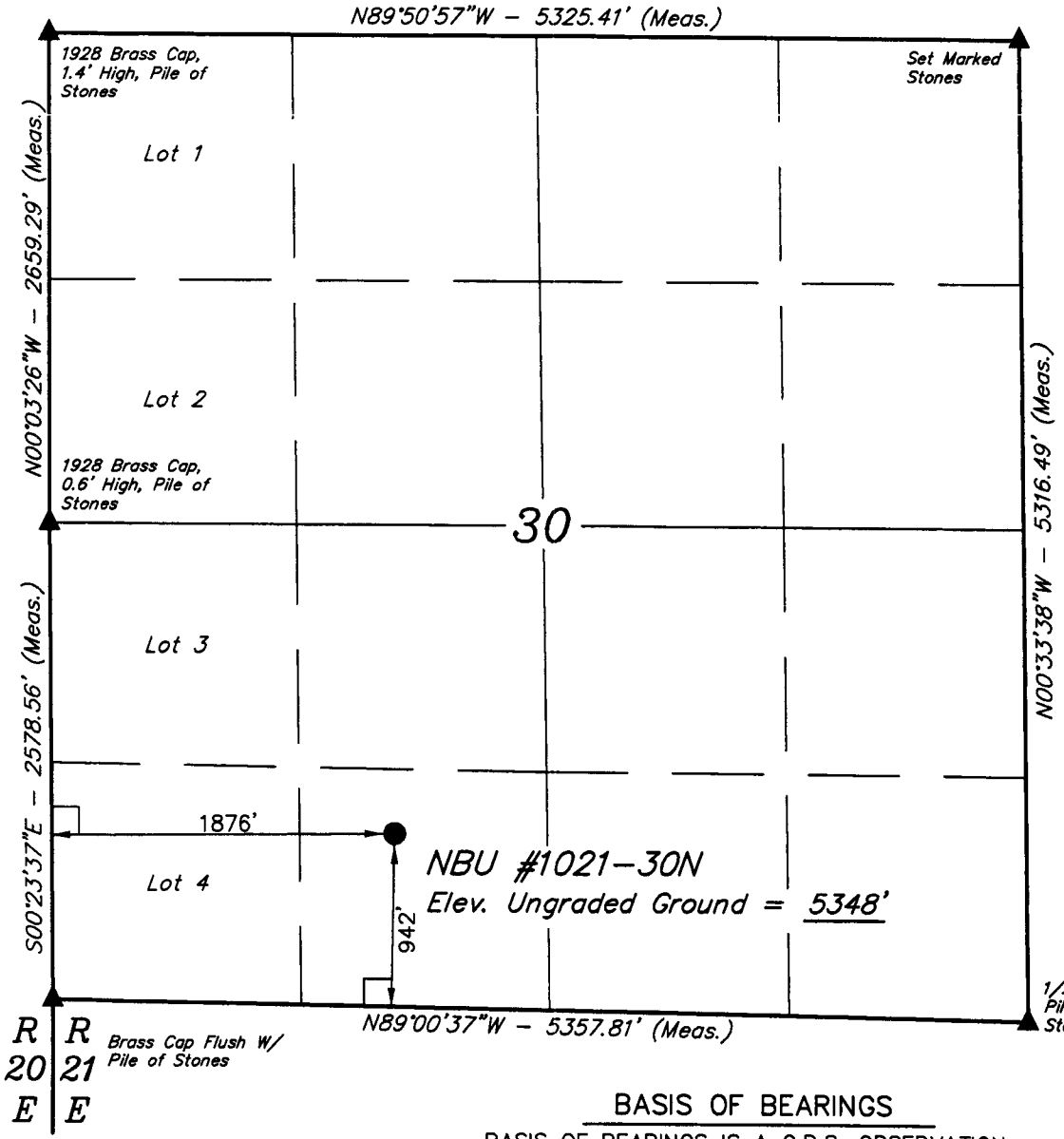
By: [signature]

(11/2001) (See Instructions on Reverse Side)

T10S, R21E, S.L.B.&M.

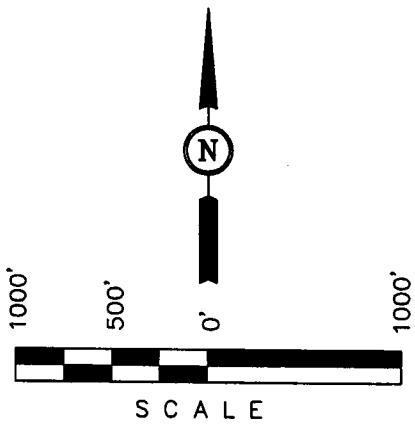
Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-30N, located as shown in the SE 1/4 SW 1/4 of Section 30, T10S, R21E, S.L.B.&M., Uintah County, Utah.



BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. REG. NO. 161319

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)
LATITUDE = 39°54'50.33" (39.913981)
LONGITUDE = 109°35'50.69" (109.597414)
(NAD 27)
LATITUDE = 39°54'50.45" (39.914014)
LONGITUDE = 109°35'48.21" (109.596725)

LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 11-02-06	DATE DRAWN: 11-15-06
PARTY: D.K. T.H. C.H.	REFERENCES: G.L.O. PLAT	
WEATHER: COOL	FILE: Kerr-McGee Oil & Gas Onshore LP	

NBU 1021-30N
SE/SW SEC. 30, T10S, R21E
UINTAH COUNTY, UTAH
ML-22793

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

Formation	Depth
Uinta	0- Surface
Green River	1140'
Top of Birds Nest Water	1366'
Mahogany	1895'
Wasatch	4321'
Mesaverde	7263'
MVU2	8268'
MVL1	8781'
TD	9450'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
	Green River	1140'
Water	Top of Birds Nest Water	1366'
	Mahogany	1895'
Gas	Wasatch	4321'
Gas	Mesaverde	7263'
Gas	MVU2	8268'
Gas	MVL1	8781'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9450' TD, approximately equals 5859 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3780 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

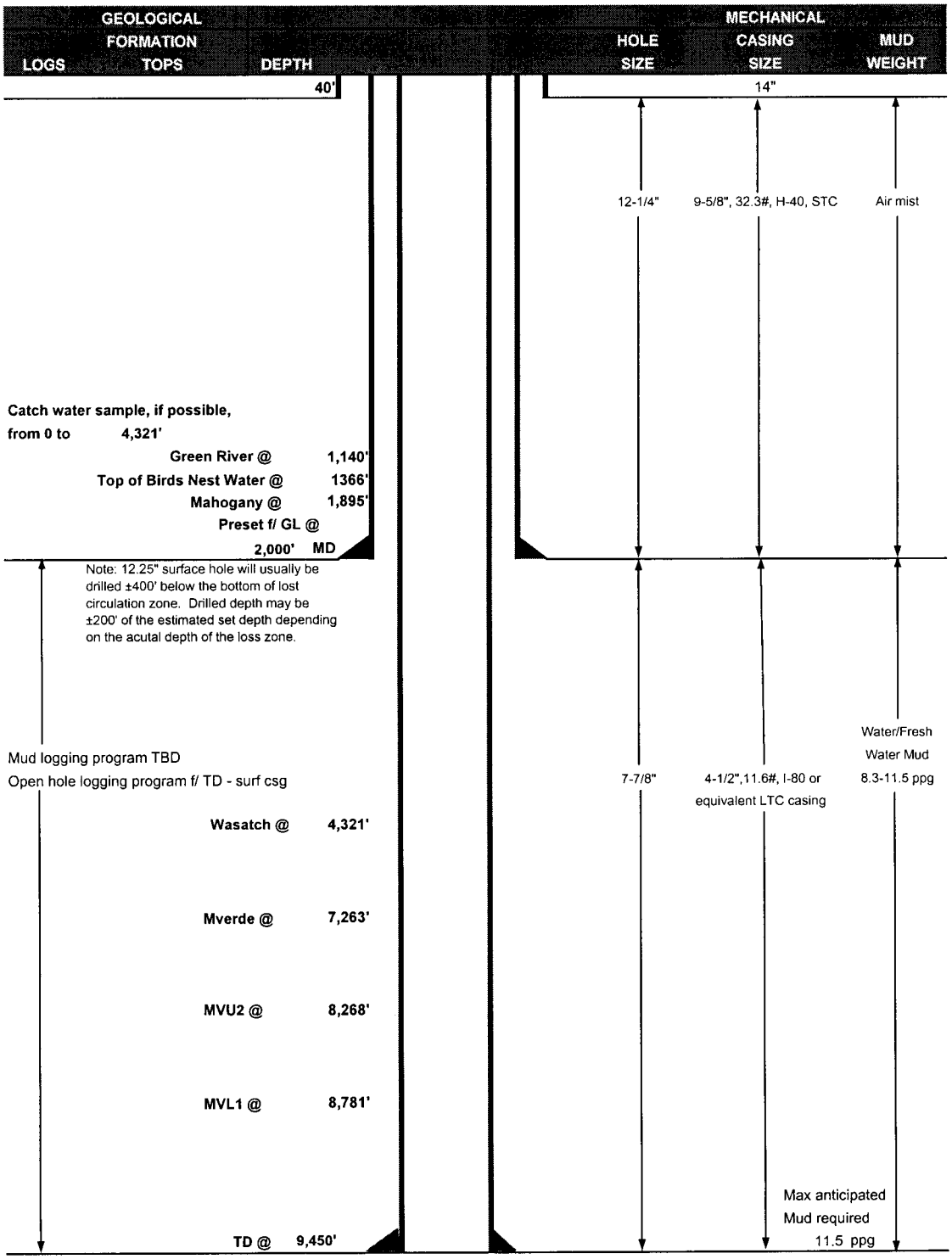
10. **Other Information:**

Please refer to the attached Drilling Program.

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP			DATE	January 23, 2007		
WELL NAME	**NBU 1021-30N**			TD	9,450' MD/TVD		
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah	ELEVATION	5,348' GL KB 5,363'
SURFACE LOCATION	SE/SW SEC. 30, T10S, R21E 942'FSL, 1876'FWL					BHL	Straight Hole
	Latitude: 39.913981 Longitude: 109.597414						
OBJECTIVE ZONE(S)	Wasatch/Mesaverde						
ADDITIONAL INFO	Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.						



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
						2270	1370	254000
SURFACE	9-5/8"	0 to 2000	32.30	H-40	STC	0.64********	1.46	4.49
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9450	11.60	I-80	LTC	2.18	1.12	2.10

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3572 psi

******** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		**NOTE: If well will circulate water to surface, option 2 will be utilized**					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,820'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	420	60%	11.00	3.38
	TAIL	5,630'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1570	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utililzed.

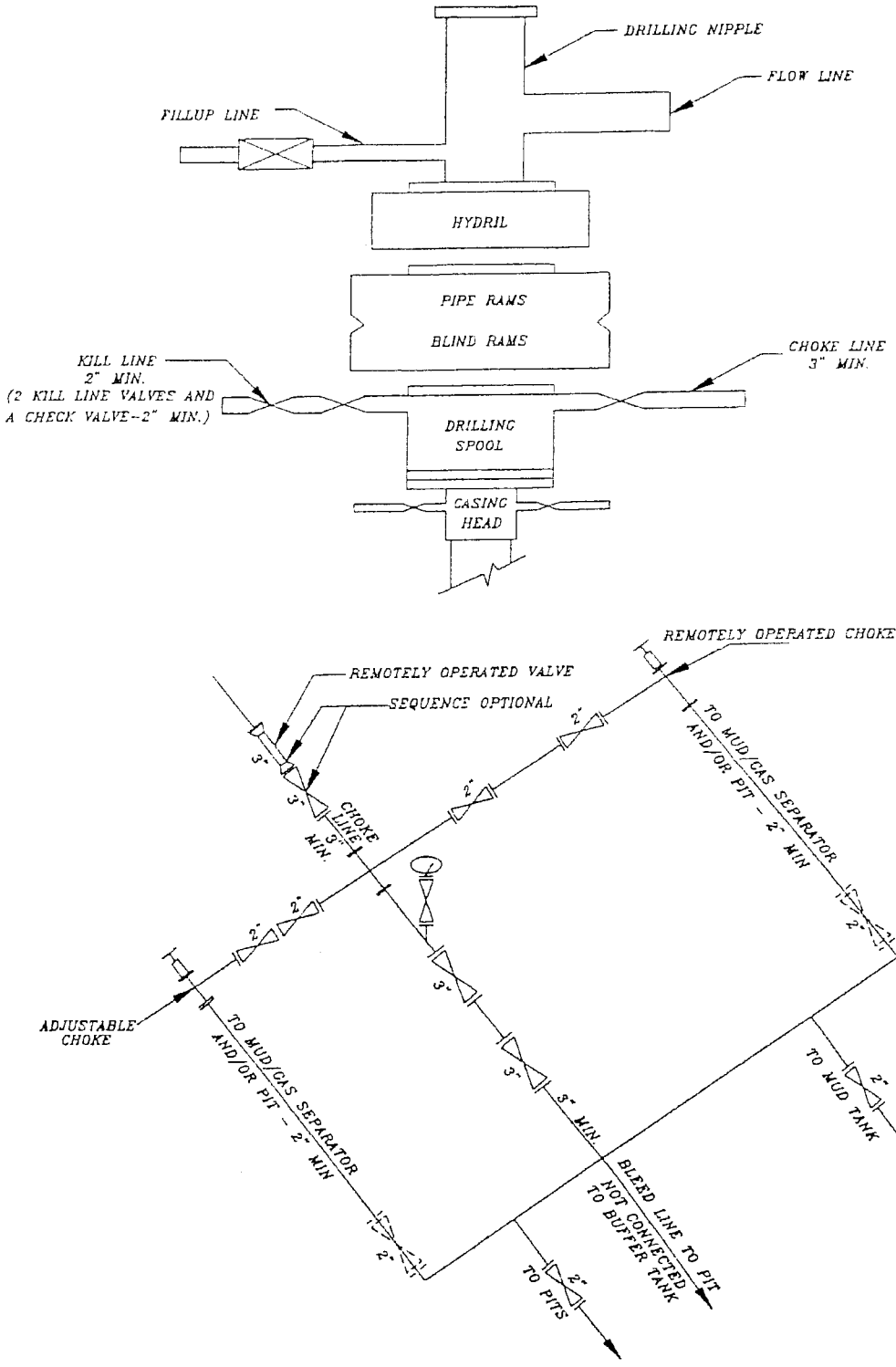
DRILLING ENGINEER: _____ **DATE:** _____

Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1021-30N
SE/SW SEC. 30, T10S, R21E
Uintah County, UT
ML-22793

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Approximately 0.5 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 2600' +/- of 4" pipeline is proposed from the location to a tie-in point. Refer to Topo Map D.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance

between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment.

Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey will be submitted when report becomes available.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. **Lessee's or Operators's Representative & Certification:**

Sheila Upchego
Senior Land Admin Specialist
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Sheila Upchego

1/24/2007
Date

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-30N
SECTION 30, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN A EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD FOR THE #1021-30J TO THE NORHTWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATLELY 0.2 MILES TO THE BEGINNING OF THE ACCESS ROAD TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 51.1 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-30N

LOCATED IN UINTAH COUNTY, UTAH
SECTION 30, T10S, R21E, S.L.B.&M.

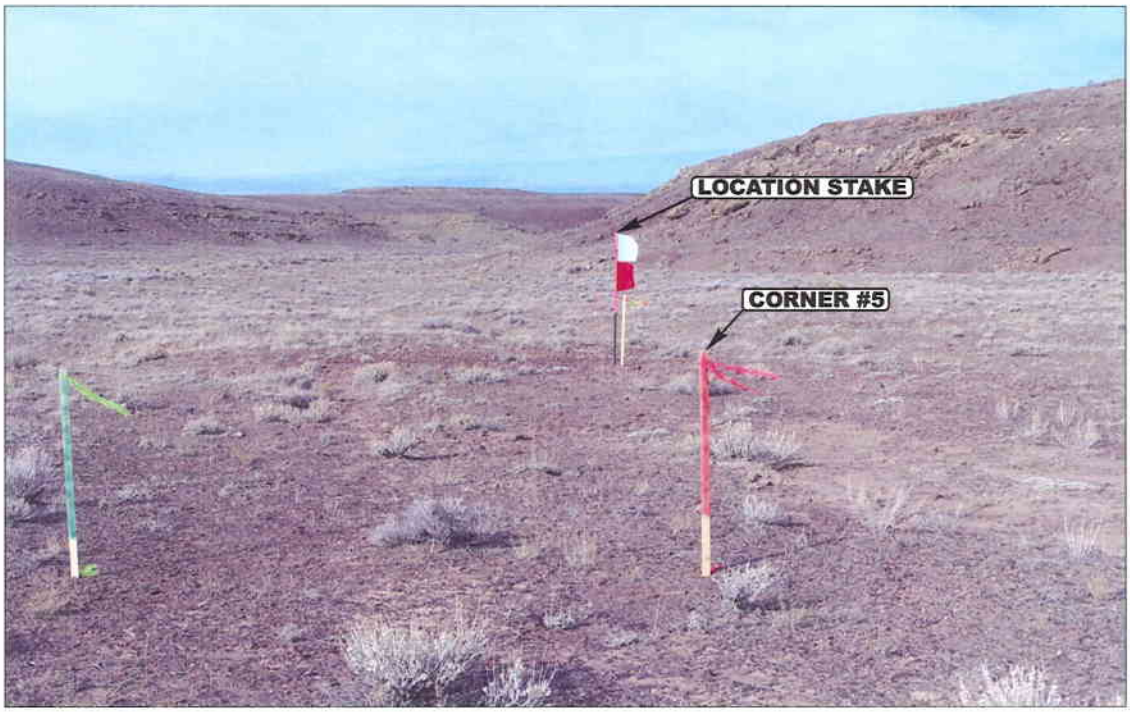
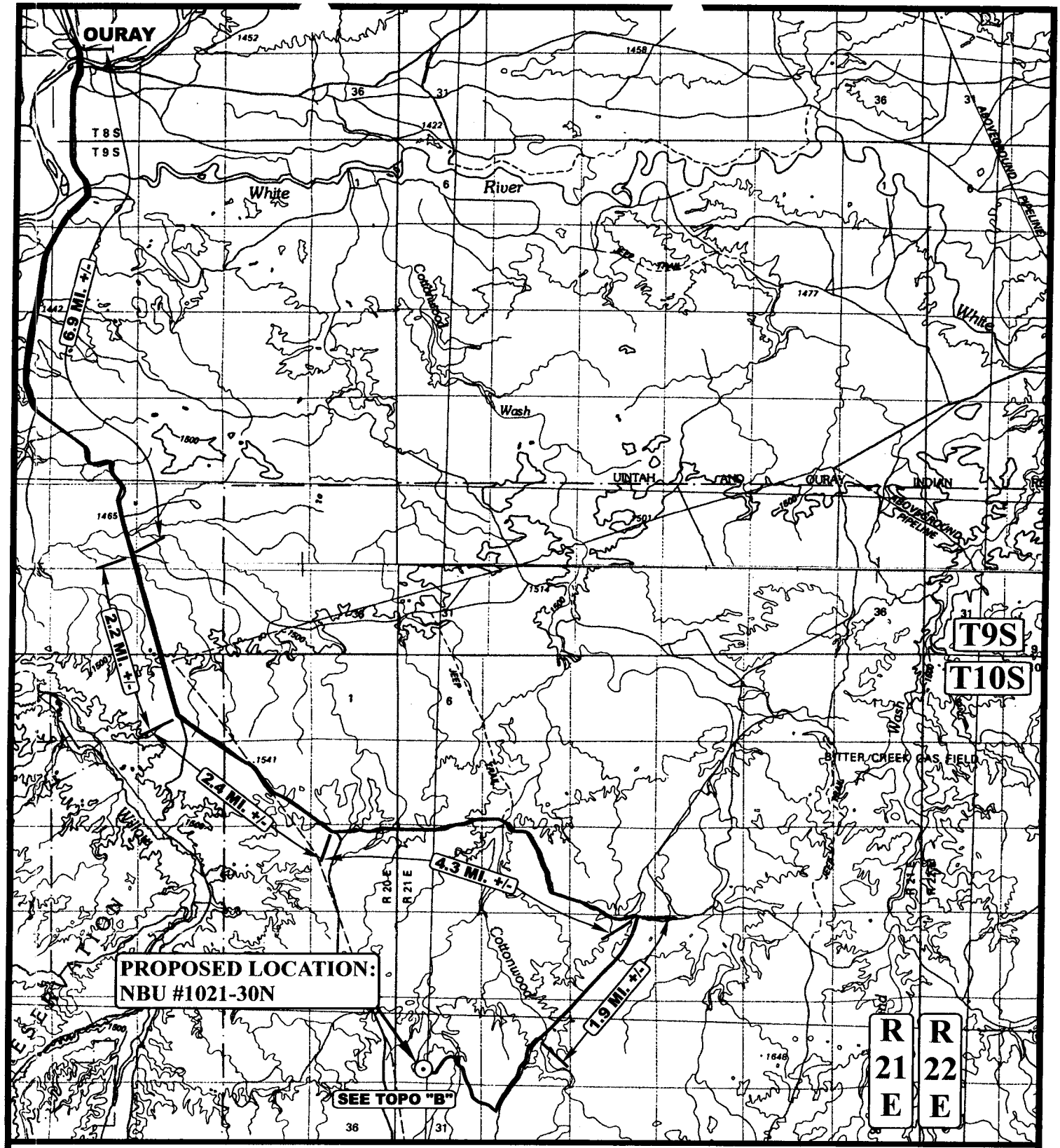


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHERLY**

PHOTO: VIEW FROM BEGINNING OF THE PROPOSED ACCESS **CAMERA ANGLE: SOUTHWESTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	11 MONTH	16 DAY	06 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: S.L.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION

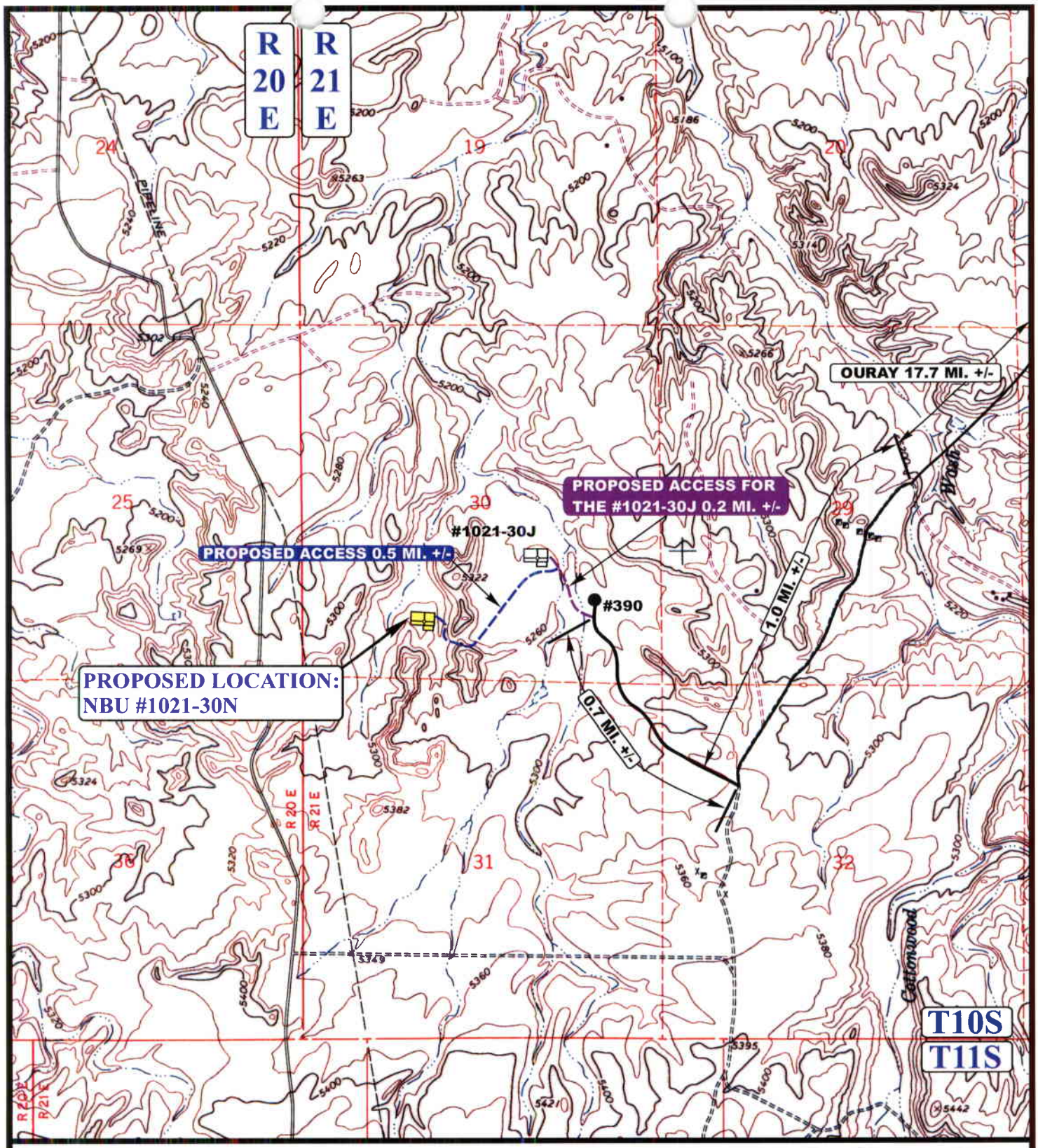
N

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-30N
SECTION 30, T10S, R21E, S.L.B.&M.
942' FSL 1876' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	11 MONTH	16 DAY	06 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: S.L.	REVISED: 00-00-00		



LEGEND:

PROPOSED ACCESS ROAD

PROPOSED ACCESS ROAD SERVICING OTHER WELLS

EXISTING ROAD

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-30N

SECTION 30, T10S, R21E, S.L.B.&M.

942' FSL 1876' FWL

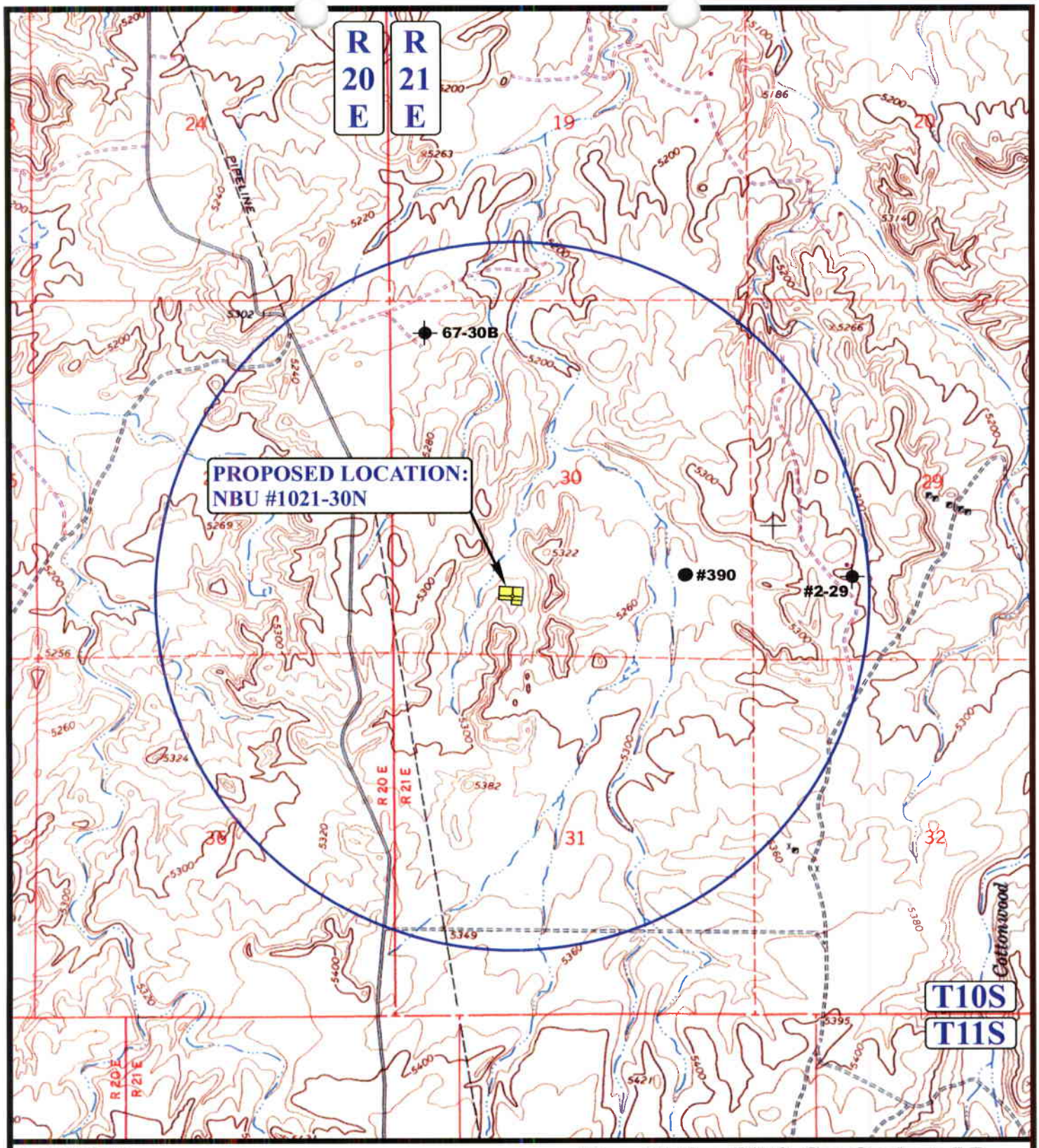
Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 11 MONTH | 16 DAY | 06 YEAR | B TOPO

SCALE: 1" = 2000' | DRAWN BY: S.L. | REVISED: 00-00-00



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-30N
SECTION 30, T10S, R21E, S.L.B.&M.
942' FSL 1876' FWL

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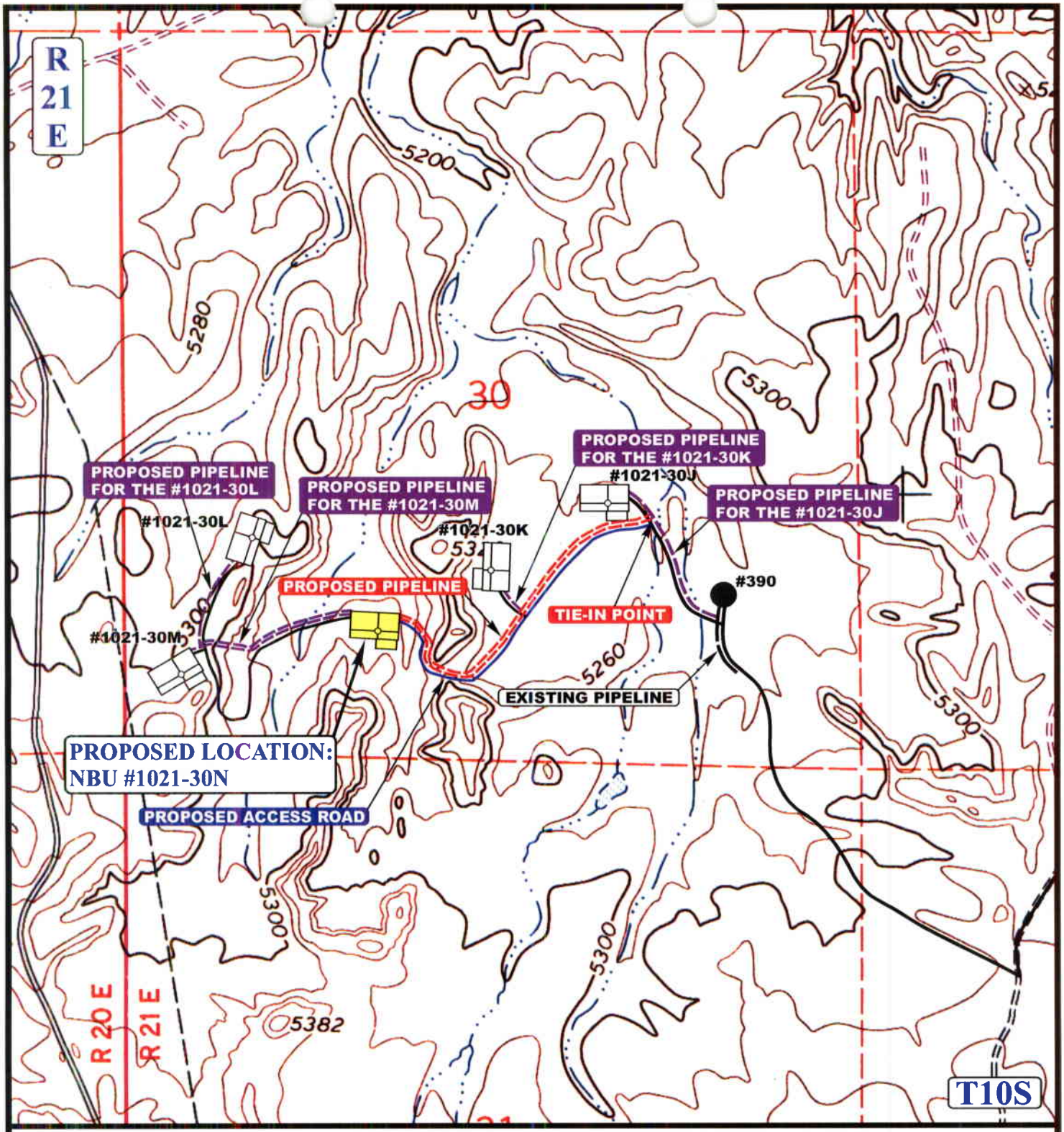
TOPOGRAPHIC MAP	11 MONTH	16 DAY	06 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: S.L.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,600' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE
PROPOSED PIPELINE SERVICING OTHER WELLS

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-30N
SECTION 30, T10S, R21E, S.L.B.&M.
942' FSL 1876' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 11 MONTH | 16 DAY | 06 YEAR | D TOPO

SCALE: 1" = 1000' | DRAWN BY: S.L. | REVISED: 00-00-00

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-30N

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 30, T10S, R21E, S.L.B.&M.

PHOTO: VIEW FROM TIE-IN POINT **CAMERA ANGLE: SOUTHWESTERLY**

PHOTO: VIEW OF PIPELINE ALIGNMENT **CAMERA ANGLE: SOUTHWESTERLY**

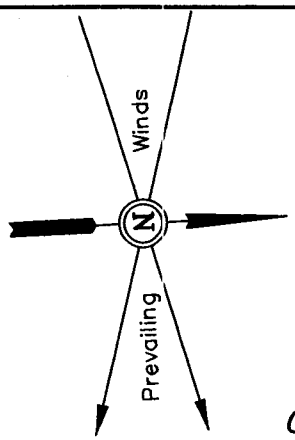
- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	11 MONTH	16 DAY	06 YEAR	PHOTO
TAKEN BY: D.K.	DRAWN BY: S.L.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

LOCATION LAYOUT FOR

NBU #1021-30N
SECTION 30, T10S, R21E, S.L.B.&M.
942' FSL 1876' FWL



SCALE: 1" = 50'
DATE: 09-28-06
Drawn By: C.H.

F-8.2'
El. 38.8'

Sta. 3+50

C-0.1'
El. 47.1'

GRADE
El. 47.0'

58'

Round Corners as Needed

Approx. Toe of Fill Slope

Existing Drainage

200'

Approx. Top of Cut Slope

Existing Drainage

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

PIPE TUBS

CATWALK

PIPE RACKS

Pit Topsoil

Topsoil Stockpile

El. 51.7'
C-14.7'
(btm. pit)

Blooie Line

C-2.4'
El. 49.4'

C-0.8'
El. 47.8'

RIG

70'

58'

135'

Sta. 1+50

C-2.5'
El. 49.5'

MUD TANKS

DOG HOUSE

TOILET

F-4.9'
El. 42.1'

TRAILER

LIGHT PLANT

BOILER

WATER TANK

MUD TANKS

PUMP HOUSE

RESERVE PITS
(10' Deep)

Total Pit Capacity W/2' of Freeboard = 9,850 Bbls. ±
Total Pit Volume = 2,780 Cu. Yds.

15' WIDE BENCH

SLOPE 1 1/2 : 1

150'

Reserve Pit Backfill & Spoils Stockpile

TRASH

Sta. 0+50

C-4.8'
El. 51.8'

150'

PROPANE STORAGE

C-2.4'
El. 49.4'

Install CMP as Needed

El. 52.8'
C-15.8'
(btm. pit)

15' WIDE BENCH

Sta. 0+00

CONSTRUCT DIVERSION DITCH

C-3.7'
El. 50.7'

F-1.7'
El. 45.3'

Proposed Access Road

Existing Drainage

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5247.8'
FINISHED GRADE ELEV. AT LOC. STAKE = 5247.0'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Kerr-McGee Oil & Gas Onshore LP

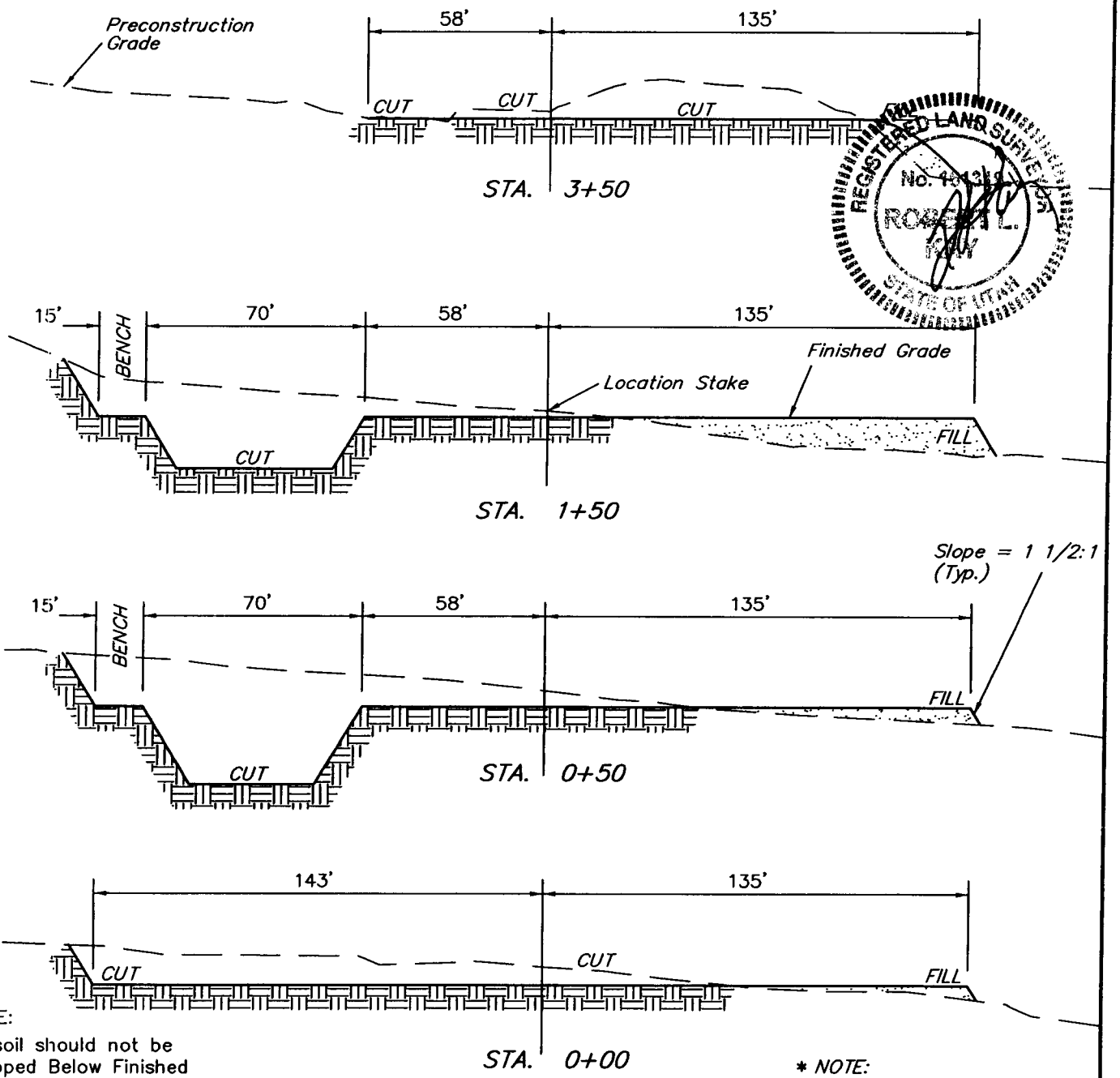
FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1021-30N
SECTION 30, T10S, R21E, S.L.B.&M.
942' FSL 1876' FWL

1" = 20'
X-Section Scale
1" = 50'

DATE: 09-28-06
Drawn By: C.H.



REGISTERED LAND SURVEYOR No. 161319 STATE OF UTAH

NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,700 Cu. Yds.
Remaining Location = 6,770 Cu. Yds.

TOTAL CUT = 8,470 CU.YDS.
FILL. = 5,380 CU.YDS.

EXCESS MATERIAL = 3,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,090 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/02/2007

API NO. ASSIGNED: 43-047-39025

WELL NAME: NBU 1021-30N
OPERATOR: KERR-MCGEE OIL & GAS (N2995)
CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:
SESW 30 100S 210E
SURFACE: 0942 FSL 1876 FWL
BOTTOM: 0942 FSL 1876 FWL
COUNTY: UINTAH
LATITUDE: 39.91405 LONGITUDE: -109.5967
UTM SURF EASTINGS: 619938 NORTHINGS: 4418951
FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	**Initials**	**Date**
Engineering	DRD	2/28/07
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML-22793
SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

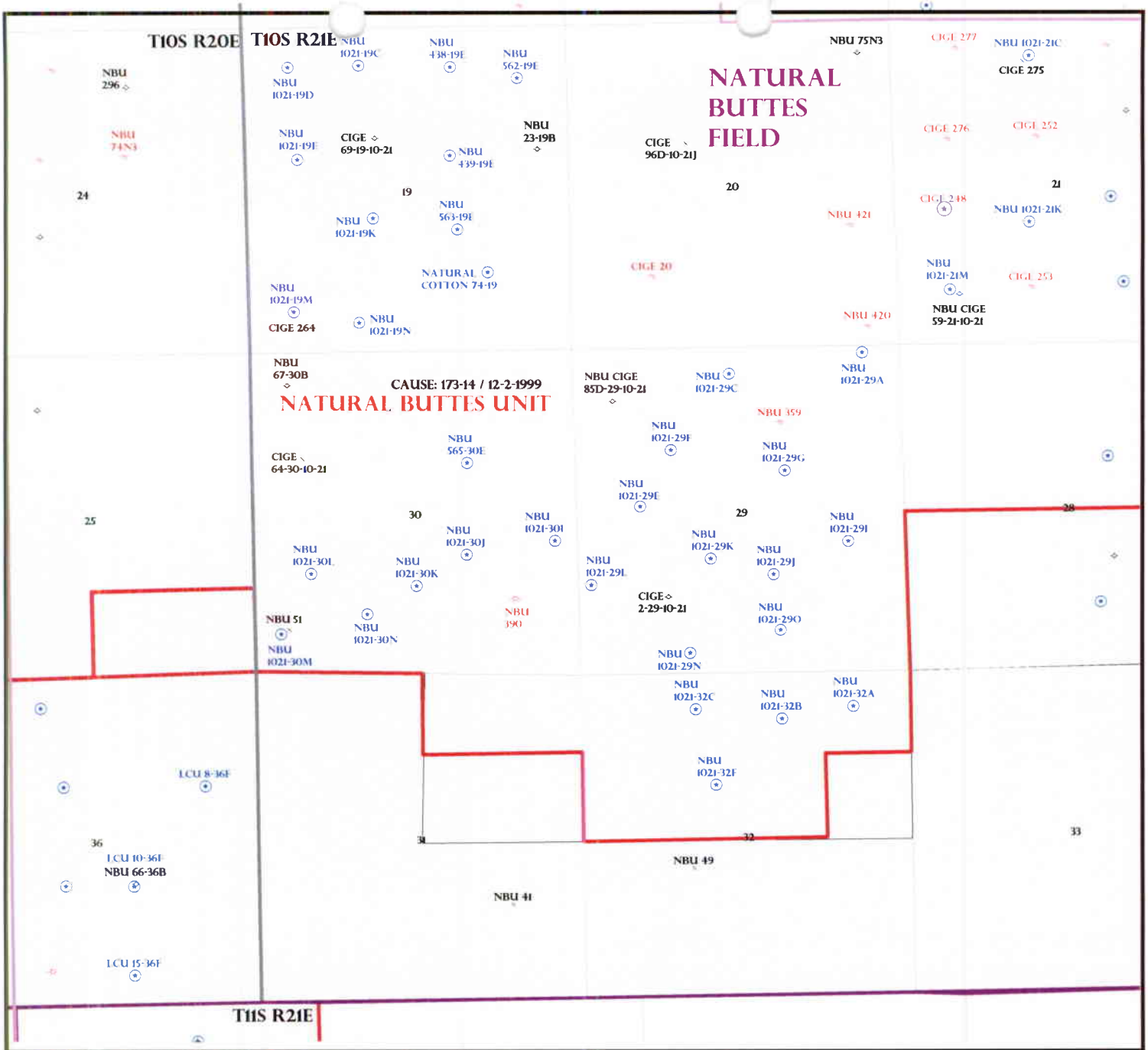
✓ Plat
✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)
N Potash (Y/N)
Y Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 43-8496)
N RDCC Review (Y/N)
(Date:)
NA Fee Surf Agreement (Y/N)
NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: NATURAL BUTTES
___ R649-2-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1999
Siting: 460' fr u'dry & Uncomm. Tracts
___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (02-13-07)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE
3- Surface Csg Cmt Stip



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 19,29,30,32 T.10S R. 21E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA MASON

DATE: 7-FEBRUARY-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
251	43-047-39025-00-00		GW	S	No

Operator	KERR-MCGEE OIL & GAS ONSHORE, LP	**Surface Owner-APD**	
Well Name	NBU 1021-30N	**Unit**	
Field	UNDESIGNATED	**Type of Work**	
Location	SESW 30 10S 21E S 0 FL 0 FL	GPS Coord (UTM) 619938E	4418951N

Geologic Statement of Basis

Kerr McGee proposes to set 1,900' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,300'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 30. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill	2/15/2007
APD Evaluator	**Date / Time**

Surface Statement of Basis

The general area is within the Cottonwood Wash Drainage. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 11 miles to the White River. No seeps, springs or streams exist in the area.

This location is approximately 20 miles southeast of Ouray, Ut. and is accessed by the Seep Ridge Road to the Uintah County Love Unit Road then by existing or planned oil field development roads to within 0.5 miles of the site, which will require new construction.

The proposed location is in a moderately wide, gentle swale which slopes to the northwest. Terrain is rolling with higher ridges. A knob with an outcrop of bedrock is within the location. Small swales within the location are planned for diversions around the location.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the pre-site investigation. Mr. Davis had no concerns pertaining to this location. The selected location appears to be the best site for drilling and operating a well in the immediate area.

Floyd Bartlett	2/13/2007
Onsite Evaluator	**Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, LP
Well Name NBU 1021-30N
API Number 43-047-39025-0 **APD No** 251 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SESW **Sec** 30 **Tw** 10S **Rng** 21E 0 F L 0 F L
GPS Coord (UTM) 619937 4418951 **Surface Owner**

Participants

Floyd Bartlett and David Hackford (DOGM), Jim Davis (SITLA), Carroll Estes, Tony Kznick, and Clay Einerson (Kerr McGee), David Kay (Uintah Engineering and Land Surveying), and Ben Williams (UDWR)

Regional/Local Setting & Topography

The general area is within the Cottonwood Wash Drainage. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 11 miles to the White River. No seeps, springs or streams exist in the area.

This location is approximately 20 miles southeast of Ouray, Ut. and is accessed by the Seep Ridge Road to the Uintah County Love Unit Road then by existing or planned oil field development roads to within 0.5 miles of the site, which will require new construction.

The proposed location is in a moderately wide, gentle swale which slopes to the northwest. Terrain is rolling with higher ridges. A knob with an outcrop of bedrock is within the location. Small swales within the location are planned for diversions around the location.

Surface Use Plan

Current Surface Use
Grazing
Wildlfe Habitat
Recreational

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.5	**Width** 278	**Length** 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Snow covered the vegetation on the area. Identifiable vegetation consisted of shadscale, horse brush, spiny hopsage, cheat grass and greasewood.

Antelope, cattle, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Moderatly deep sandy loam with some surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Around both ends of the location.

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?**

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	25 1 **Sensitivity Level**

Characteristics / Requirements

The proposed reserve pit is 70' x 150' x 10' deep located within cut on the south east corner of the location. A 20 mil liner with a felt sub-liner is planned by Kerr McGee.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 20 **Pit Underlayment Required?** Y

Other Observations / Comments

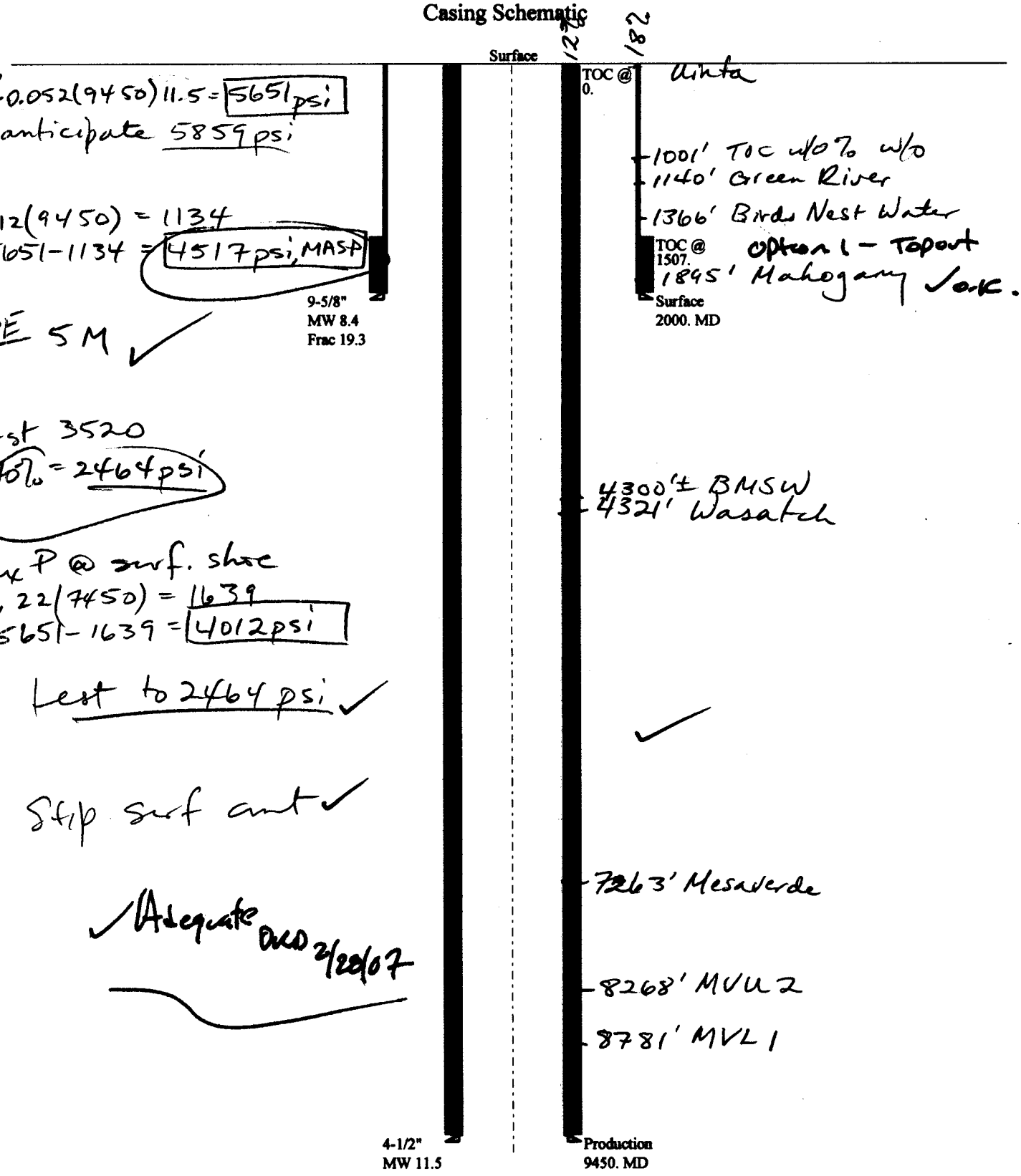
Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Jim Davis of SITLA and Carroll Estes of Kerr McGee a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when revegetating the location.

The area was covered with snow. ATV's were used to access the site.

Floyd Bartlett	2/13/2007
Evaluator	**Date / Time**

2007-02 Kerr McGee NBU .021-30N

Casing Schematic



BHP 0.052(9450)11.5 = 5651 psi
anticipate 5859 psi

Gas .12(9450) = 1134
5651 - 1134 = 4517 psi, MASP

BOPE 5M ✓

Burst 3520
70% = 2464 psi

Max P @ surf. shoe
.22(7450) = 1639
5651 - 1639 = 4012 psi

Test to 2464 psi ✓

✓

Sfp surf csg ✓

✓ Adequate DKD 2/22/07

Well name:	**2007-02 Kerr McGee NBU 1021-30N**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Surface
Project ID:	43-047-39025
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,760 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,000 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,751 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 1,507 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 9,450 ft
Next mud weight: 11.500 ppg
Next setting BHP: 5,645 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,000 ft
Injection pressure: 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2000	9.625	36.00	J-55	ST&C	2000	2000	8.796	868.1

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	2020	2.315	2000	3520	1.76	63	394	6.25 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: February 20,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2007-02 Kerr McGee NBU 1021-30N**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-39025
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 11.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 3,566 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,645 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,826 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 207 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	9450	4.5	11.60	I-80	LT&C	9450	9450	3.875	824.7

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5645	6360	1.127	5645	7780	1.38	91	212	2.34 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: February 20,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9450 ft, a mud weight of 11.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Ed Bonner
To: Mason, Diana
Date: 2/14/2007 9:50 AM
Subject: The following wells have been given cultural resource clearance by the Trust Lands Cultural Resource

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil; sheila.upchego...

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Kerr McGee Oil & Gas Onshore LP
- NBU 1022-7H-4 (API 43 047 38570)
- NBU 1021-2E (API 43 047 38838)
- NBU 1021-2F (API 43 047 38839)
- NBU 1021-2M (API 43 047 38841)
- NBU 1021-2K (API 43 047 38842)
- NBU 1021-2L (API 43 047 38843)
- NBU 1021-2J (API 43 047 38844)
- NBU 1021-36D (API 43 047 38845)
- NBU 1021-36E (API 43 047 38846)
- NBU 1021-36F (API 43 047 38847)
- NBU 1021-36N (API 43 047 38848)
- NBU 1021-36K (API 43 047 38849)
- NBU 1021-36C (API 43 047 38850)
- NBU 1021-1G (API 43 047 39001)
- NBU 1021-1O (API 43 047 39002)
- NBU 1021-1P (API 43 047 39003)
- NBU 1021-30I (API 43 047 39020)
- NBU 1021-30J (API 43 047 39021)
- NBU 1021-30K (API 43 047 39022)
- NBU 1021-30L (API 43 047 39023)
- NBU 1021-30M (API 43 047 39024)
- NBU 1021-30N (API 43 047 39025)

If you have any questions regarding this matter please give me a call.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

February 7, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ Wasatch/MesaVerde)

43-047-39004 NBU 1021-19C Sec. 19 T. 10S R. 21E 0620 FNL 1904 FWL
43-047-39005 NBU 1021-19D Sec. 19 T. 10S R. 21E 0637 FNL 0755 FWL
43-047-39006 NBU 1021-19E Sec. 19 T. 10S R. 21E 2146 FNL 0879 FWL
43-047-39007 NBU 1021-19K Sec. 19 T. 10S R. 21E 2181 FSL 2092 FWL
43-047-39008 NBU 1021-19N Sec. 19 T. 10S R. 21E 0462 FSL 1845 FWL
43-047-39009 NBU 1021-29L Sec. 29 T. 10S R. 21E 1398 FSL 0190 FWL
43-047-39010 NBU 1021-29O Sec. 29 T. 10S R. 21E 0615 FSL 2115 FEL
43-047-39011 NBU 1021-29N Sec. 29 T. 10S R. 21E 0250 FSL 1764 FWL
43-047-39012 NBU 1021-29J Sec. 29 T. 10S R. 21E 1532 FSL 2192 FEL
43-047-39013 NBU 1021-29K Sec. 29 T. 10S R. 21E 1804 FSL 2143 FWL
43-047-39014 NBU 1021-29I Sec. 29 T. 10S R. 21E 2060 FSL 0962 FEL
43-047-39015 NBU 1021-29G Sec. 29 T. 10S R. 21E 2090 FNL 1960 FEL
43-047-39016 NBU 1021-29F Sec. 29 T. 10S R. 21E 1718 FNL 1529 FWL
43-047-39017 NBU 1021-29E Sec. 29 T. 10S R. 21E 2635 FNL 1010 FWL
43-047-39018 NBU 1021-29C Sec. 29 T. 10S R. 21E 0476 FNL 2501 FWL
43-047-39019 NBU 1021-29A Sec. 29 T. 10S R. 21E 0170 FNL 0627 FEL
43-047-39020 NBU 1021-30I Sec. 30 T. 10S R. 21E 2131 FSL 0387 FEL
43-047-39021 NBU 1021-30J Sec. 30 T. 10S R. 21E 1901 FSL 1827 FEL
43-047-39022 NBU 1021-30K Sec. 30 T. 10S R. 21E 1398 FSL 2686 FWL
43-047-39023 NBU 1021-30L Sec. 30 T. 10S R. 21E 1602 FSL 0980 FWL
43-047-39024 NBU 1021-30M Sec. 30 T. 10S R. 21E 0612 FSL 0462 FWL

43-047-39025 NBU 1021-30N Sec. 30 T. 10S R. 21E 0942 FSL 1876 FWL
43-047-39026 NBU 1021-32A Sec. 32 T. 10S R. 21E 0646 FNL 0955 FEL
43-047-39027 NBU 1021-32B Sec. 32 T. 10S R. 21E 0837 FNL 2117 FEL
43-047-39028 NBU 1021-32C Sec. 32 T. 10S R. 21E 0664 FNL 1840 FWL
43-047-39029 NBU 1021-32F Sec. 32 T. 10S R. 21E 1909 FNL 2165 FWL
43-047-39001 NBU 1021-01G Sec. 01 T. 10S R. 21E 2660 FSL 1765 FEL
43-047-39002 NBU 1021-01O Sec. 01 T. 10S R. 21E 0245 FSL 2619 FEL
43-047-39003 NBU 1021-01P Sec. 01 T. 10S R. 21E 0888 FSL 1309 FEL
43-047-39030 NBU 1022-18A Sec. 18 T. 10S R. 22E 1007 FNL 0512 FEL
43-047-39031 NBU 1022-24I Sec. 24 T. 10S R. 22E 2045 FSL 1166 FEL
43-047-39032 NBU 1022-25B Sec. 25 T. 10S R. 22E 0403 FNL 1971 FEL
43-047-39033 NBU 1022-25H Sec. 25 T. 10S R. 22E 2604 FNL 0825 FEL

Our records indicate the NBU 1022-25H is closer than 460 feet from the Natural Buttes Unit boundary (approximately 36 feet).

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:2-7-07

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 28, 2007

Kerr-McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 1021-30N Well, 942' FSL, 1876' FWL, SE SW, Sec. 30, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39025.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)
SITLA
Bureau of Land Management, Vernal District Office

Operator: Kerr-McGee Oil & Gas Onshore LP

Well Name & Number Natural Buttes Unit 1021-30N

API Number: 43-047-39025

Lease: ML-22793

Location: SE SW **Sec.** 30 **T.** 10 South **R.** 21 East

Conditions of Approval

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office
     (801) 733-0983 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office
     (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

7. Surface casing shall be cemented to the surface.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **Kerr-McGee Oil & Gas Onshore, LP**

Well Name: **NBU 1021-30N**

API No: **43-047-39025** Lease Type: **State**

Section **30** Township **10S** Range **21E** County **Uintah**

Drilling Contractor **Rocky Mountain Drilling** Rig # **Rathole**

SPUDDED:

Date **5-29-07**

Time **3:00 PM**

How **Dry**

Drilling will Commence:

Reported by **Lou Weldon**

Telephone # **435-828-7035**

Date 5-30-07 **Signed RM**

FORM 6

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP
Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078
Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739025	NBU 1021-30N		SESW	30	10S	21E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	5/29/2007			5/30/07	

Comments: MIRU ROCKY MTN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 05/29/2007 AT 1500 HRS.

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736868	HATCH 923-15N		SESW	15	9S	23E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	16129	5/28/2007			5/30/07	

R

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 05/28/2007 AT 1100 HRS

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	

Comments:

ACTION CODES:
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

(5/2000)

To	From
Co./Dept. UDOGM	Co. KMG
Phone # (801) 538-5334	Phone # (435) 781-7024
Fax # (801) 359-3940	Fax # (435) 781-7094

SHEILA UPCHEGO
Name (Please Print)
Signature
SENIOR LAND SPECIALIST
Title
5/30/2007
Date

RECEIVED
MAY 30 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22793

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1021-30N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739025

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 942'FSL, 1876'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: WELL SPUD
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU ROCKY MTN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 05/29/2007 AT 1500 HRS

RECEIVED
JUN 05 2007
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE DATE 5/30/2007

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(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22793

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1021-30N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739025

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 942'FSL, 1876'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 30 10S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: SET SURFACE CSG.
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU BILL MARTIN AIR RIG ON 06/03/2007. DRILLED 12 1/4" SURFACE HOLE TO 2070'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/170 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 10 +/- BBL LEAD CMT TO PIT. RAN 200' OF 1" PIPE, CMT W/145 SX PREM CLASS G @15.8 PPG 1.15 YIELD DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/50 SX PREM CLASS G @15.8 PPG 1.15 YIELD DOWN BACKSIDE. GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE DATE 6/6/2007

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DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22793

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1021-30N

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304739025

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 942'FSL, 1876'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 30 10S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: FINAL DRILLING OPERATIONS
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2070' TO 9360' ON 07/12/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/360 SX PREM LITE II @11.4 PPG 2.91 YIELD. TAILED CMT W/1322 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/144 BBL BUMP PLUG FLOATS HELD. ATTEMPT TO LAND CASING HANGER. HANGER WOULD NOT GO DOWN ALL THE WAY PULL PLUG ON BOWL AND VISUALLY CHECK HANGER IN BOWL NOT LANDING ALL THE WAY TEST HANGER 5000/10 MIN OKAY. CLEAN MUD PITS.

RELEASED PIONEER RIG 41 ON 07/14/2007 AT 0200 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE DATE 7/17/2007

(This space for State use only)

RECEIVED
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DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22793
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
8. WELL NAME and NUMBER: NBU 1021-30N
9. API NUMBER: 4304739025
10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 30 10S 21E
12. COUNTY: UINTAH
13. STATE: UTAH

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER
b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078
PHONE NUMBER: (435) 781-7024
4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 942'FSL, 1876'FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPUDDED: 5/29/2007
15. DATE T.D. REACHED: 7/12/2007
16. DATE COMPLETED: 8/2/2007 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): 5348'GL
18. TOTAL DEPTH: MD 9,360 TVD
19. PLUG BACK T.D.: MD 9,296 TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR, SD, DSN, ACTR,
23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 H-40	32.3#		2,070		565			
7 7/8"	4 1/2 I-80	11.6#		9,360		1682			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,112							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	6,290	6,300		
(B) MESAVERDE	7,431	8,902		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
6,290	6,300	0.35	36	Open ☑ Squeezed ☐
7,431	8,902	0.36	116	Open ☑ Squeezed ☐
				Open ☐ Squeezed ☐
				Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6290'-6300'	PMP 926 BBLS SLICK H2O & 45,570# 30/50 SD
7431'-8902'	PMP 6276 BBLS SLICK H2O & 223,730# 30/50 SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
8/2/2007	8/4/2007	24		0	920	240	FLOWING

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
20/64	609	1,201					0	920	240	PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
8/2/2007	8/4/2007	24		0	920	240	FLOWING

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
20/64	609	1,201					0	920	240	PROD

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

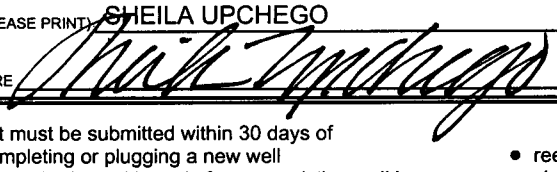
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH	4,224	7,272			
MESAVERDE	7,272				

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE  DATE 8/31/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

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(5/2000)